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STATE OF HAWAII CABLE TELEVISION DIVISION DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TWENTY-EIGHTH LEGISLATURE Regular Session of 2015

Date: Monday, March 30, 2015 Time: 2:00 p.m.

TESTIMONY ON H.C.R. NO. 131 AND H.R. NO. 6 – REQUESTING REPORTS REGARDING STATE AGENCY ACTION TO ENSURE ACCESS BY RURAL COMMUNITIES TO CELLULAR AND BROADBAND SERVICES.

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Ji Sook "Lisa" Kim, and I am the Cable Television Administrator at the Department of Commerce and Consumer Affairs (the "Department"). The Department appreciates the opportunity to express **support for the intent** of H.C.R. No. 131 and H.R. No. 6 ("Resolutions"), both of which seek a report of findings, recommendations, and actions to ensure access by rural communities to cellular and broadband services.

The Department strongly supports the goal of these Resolutions to ensure broadband and cellular access to unserved and underserved rural communities across the State. The Department has both championed and worked to advance this goal in coordination with other state and county government agencies, broadband providers, legislators, and other government and private stakeholders.

The Department's efforts have included the development of the State Broadband Strategic Plan (Dec. 2012) and a Capacity Building Project Plan for 2013-2015 (both available at: http://cca.hawaii.gov/broadband/arra/), and implementation of a project, funded through a federal grant awarded to the Department, to investigate and test wireless technologies that may be used to extend broadband service to unserved and

House Committee on Consumer Protection & Commerce Testimony on H.C.R. No. 131 and H.R. No. 6 Page 2

underserved rural areas. The Department has also focused on building partnerships with other stakeholders to work jointly on projects that can leverage resources to extend broadband infrastructure and services to areas in need, such as a project to bring government and private stakeholders together to close the telecommunications fiber gap on Hawaii Island. In addition, the Department continues to work to identify and advance specific recommendations to expedite broadband infrastructure deployment with participation by the Broadband Assistance Advisory Council, and continues to monitor federal programs for potential federal funding sources for broadband infrastructure and services.

Wireline and wireless broadband service providers have continued to expand their broadband networks and deploy new technologies, resulting in wider availability and faster speeds throughout the State. However, the difficult challenge remains to reach those in the sparsely populated rural areas of the State. Given the high costs to deploy infrastructure to provide services to these areas and a small customer base that discourages provider investment, the Department's efforts have focused on possible alternative technologies that may be used to reach these areas, as well as opportunities to leverage other programs or to partner with other stakeholders to identify solutions.

Thank you for the opportunity to provide testimony.

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 1:00 PM

To: CPCtestimony

Cc: carolineweb24@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Weber	Individual	Support	No

Comments: We are held hostage in Pahoa by the collective pricing of the broadband providers which prices many of us out of the market and unable to afford broadband.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 11:57 AM

To: CPCtestimony

Cc: kramernshaw@hawaiiantel.net

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
David Shaw	Individual	Support	No

Comments: Aloha CPC members: I sincerely wish that all of you would have first- hand experience with the lack of broadband service and infrastructure in the rural areas of Hawai'i Island, Many areas are unable to receive even dialup access, and cell signals are nonexistent. It is an economic struggle for many here who depend upon access to modern electronic communications for their livelihood. Please vote to pass this bill out of committee and help to see it enacted and funded for the future well-being of our rural residents. Mahalo, David

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 1:40 PM

To: CPCtestimony

Cc: punaweb@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Potter	Individual	Support	No

Comments: This is 2015! People need access to High Speed Internet. I don't know if you remember seeing Obama push high speed internet availability for the entire nation. But, without options, in puna sadly you are Lucky to have One option. Like 3G on a cell phone. What good is that? We need more options like Cable from Road Runner or DSL from Hawaiian Tel. There is just no infostructure from these companies. They say the service is available but only half the street is wired and certain streets. What good is having DSL in the area but no open ports? The phone company will have to pay money to upgrades it's equipment but they won't do it here. So they have to pay big bucks to cell phone companies to get limited high speed internet We need to write the laws to get more internet services in and to cover "EVERY" street or ALL streets in the subdivision. If they can't provide EVERYONE in the subdivision that wants the service than what good is it?

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Saturday March 28, 2015

To: Hawaii House Committee on Consumer Protection & Commerce (CPC)

Re: Written Testimony related to H.R.C. No. 131

REQUESTING REPORTS REGARDING STATE AGENCY ACTION TO ENSURE ACCESS BY RURAL COMMUNITIES TO CELLULAR AND BROADBAND SERVICES

I am a home owner living in the Kalapana Seaview development, a rural community which is located in the far south/coastal portion of the Puna District on the Big Island.

I am greatly concerned with the lack of ANY cellular or broadband services to my 400-member community and the surrounding developments as well. We do have electricity from HELCO and telephone service from Hawaiian Telcom but that is the extent of our utility infrastructure that was built in the ROW on county owned roads — Hawaiian Telcom does not even provide basic low speed DSL Internet service so that one could at least receive email; and the closest cell tower is over five miles away which means we have absolutely no cellular or emergency 911 service available when phone lines go down during storms, which is quite frequent.

As you probably already know, the FCC recently defined "Broadband" as providing a download speed of at least 25 Mbps. The only way I can get Internet service is through a satellite dish provided by Exede, but their maximum speed is only 12 Mbps and the cost was just increased to \$125 per month (effective today) — this does NOT even meet the minimum definition for broadband and is prohibitively expensive compared to what city residents pay, i.e. non-rural residents in cities like Hilo get true broadband speeds of at least 25 Mbps and at a cost of only \$35 per month from Oceanic Time Warner Cable.

As you further consider H.C.R. 131 know that high speed Internet is no longer a luxury (unlike CATV); it is a necessity for access to job opportunities and continual learning from places like the University of Hawaii or Community Colleges that are currently rolling out the bulk of their curriculum via the Internet

(but it also requires all residents to have Internet access and at true "broadband" speeds).

I believe if state-of-the-art cellular and broadband services were offered to rural areas such as mine, the state could improve the quality of life for tens of thousands and substantially improve their economic viability as well.

Mahalo,

12-125 E Moanauli Loop, # 4651

Pahoa, HI 96778-7842

Gregory Floral

Heidi Burgwardt 15-2823 Lalakea St. Pahoa, HI 96778 (808) 430-2718 (if it rings)

March 27th, 2015

I am here to testify about the poor cell phone reception in Puna. I am a 56 yr. old single disabled woman. There are so many places I will not travel too due to no cell phone reception. At my house, I have to search for a hot spot, and on Red Road, and other areas of Puna, It doesn't matter if you have At&T or Verizon, only one will work depending on where you are, and when I make a call, I have to put it on speaker phone, only getting two bars in my window sill. I totally agree with Senator Joy SanBuenaventura about our needs for better reception in this whole area. If my car broke down, I would mostly be out of luck in most areas, as there is no signal. Or, if I felt threatened in some way, or had a medical issue, there would be little I could do about it due to the poor quality of signal.

Mahalo,

Heidi Burgwardt

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 10:21 AM

To: CPCtestimony Cc: ozone@cname.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
james ozone	Individual	Support	No

Comments: I am a full-time IT telecommuter who is directly impacted by the lack of broadband. Wireless or satellite technologies do not meet my needs for reliability and performance, and include "overage" charges which would guickly become very expensive. Telcom has no plans to make DSL available at my location. They offer two other options: T1 service at \$600/month for 1.5Mbit/s with a 3-year commitment, or 100Mbit fiber for \$4000/month with a 5-year commitment. (Note that 1.5Mbit/s is slower than DSL, 4G, satellite, or cable.) I seriously considered using the fiber option to start a local ISP as a way to defray costs; Telcom explained that this would require a "reseller agreement", and that they were not accepting new reseller applications at this time. When I call Oceanic, they have never heard of my road, or the subdivision in which it is located, however they did claim that installation is available anywhere in the islands at a construction cost of \$5/foot. Their nearest presence is about 1.5 miles from me, so the install cost would be roughly \$40,000. Hawaiian Telcom and Oceanic Cable currently enjoy an exclusive franchise agreement such that they are the only ones who are allowed to install broadband, however, this agreement does not actually require that any facilities be built. If the incumbent providers wish to keep their exclusivity, the agreement needs to stipulate real-world availability. Alternately, an open-access public fiber backbone should be created, with connections to every school, library, or community center. Broadband would be resold to companies wishing to provide last-mile connectivity. This is how it's done in Alberta, Canada; their rural areas have high-speed internet available from multiple providers, competition keeps prices low, and the system works well despite these rural areas having lower density and much more severe environmental conditions than the rural parts of the Big Island. (The biggest problem with laying fiber is acquiring the rights-of-way; I suggest making these available as a prerequisite for approval of NextEra's HELCO acquisition.) In closing, two anecdotes: 1. Home offers often include broadband as a contingency; local real estate professionals are adept at the "order juggling" process necessary to leave a DSL line in service while the house changes ownership. This kind of workaround is clever, but should be totally unnecessary. 2. http://consumerist.com/2015/03/25/new-homeowner-has-to-sellhouse-because-of-comcasts-incompetence-lack-of-competition/

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From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 10:41 PM

To: CPCtestimony

Cc: judi.steinman@yahoo.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Judi Steinman	Individual	Support	No

Comments: I strongly support this resolution. I live in Laupahoehoe in the North Hilo District along the Hamakua Coast of Hawai'i Island. There are long stretches along our coastline where there is no or limited internet or broadband access. At a minimum it creates a hazardous situation since we have multiple gulches in which access can be cutoff due to bad weather or earthquakes, situations in which communication is essential. I pay almost \$200 a month for sufficient internet and cell phone service to conduct business from my home. The service is terrible. This resolution will help improve service and costs.

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From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 28, 2015 7:21 PM

To: CPCtestimony

Cc: mainstreetpahoa@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Hinshaw	Mainstreet Pahoa Association	Support	No

Comments: Aloha Legislators, I am writing in support of HCR 131. I represent Mainstreet Pahoa, our Chamber of Commerce here Puna, Hawaii Island. After Hurricane Iselle, it became obvious to most of us who live here that Cell phone coverage is, at best, minimal. Vast regions of populated areas along the Coast in Lower Puna have basically NO signal. This is not acceptable in today's modern technology where you all enjoy full reception without even thinking about it. Puna is the fastest growing region in Hawai'i and that growth is not exp ected to change. Local population growth coupled with increased visitor growth to our region due to the lava flow will only underscore the need to increase the number of cell towers and faster broadband service here. Please help us!!! Mahalo for your consideration... Mark Hinshaw Mainstreet Pahoa Association-President

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From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 27, 2015 6:53 PM

To: CPCtestimony

Cc: richard@bidleman.net

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM

HCR131

Submitted on: 3/27/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Bidleman	Individual	Support	No

Comments: When the state library system opened internet access to anyone (no need to have a library card) 24/7, we have noticed people use the wireless network in the library parking lot after hours and on weekends. Many people in rural areas are underserved by current internet service providers. Any effort to expand internet access should include satellite internet/phone. Our current satellite internet/phone services is provided by Exede.com. When the infrastructure on the ground went down in recent storms we were not without internet/phone service. We have solar energy as well as a generator. We were never without internet/phone service, including streaming content over the internet. While the satellite service is a little more costly, rate should go down with more subscribers.

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 29, 2015 6:47 PM

To: CPCtestimony

Cc: bryanbrey@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM



HCR131

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Bryan Brey	Individual	Support	No	

Comments: Definitely support funding to improve broadband internet in rural areas. Thank you!

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 29, 2015 4:46 PM

To: CPCtestimony

Cc: beach4bums1@att.net

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM



HCR131

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
David Currier	Individual	Comments Only	No

Comments: Quality high-speed internet services and dependable cellphone services have developed into essential components of contemporary society. For remote areas like Puna, both services are necessary for security and communication with emergency services that are not nearby. Please provide us with measurable improvements.

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 29, 2015 2:39 PM

To: CPCtestimony

Cc: frankiestapleton@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM



HCR131

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Frances K. (Frankie) Stapleton	Individual	Support	No

Comments: My name is Frances K. Stapleton, a resident voter in lower Puna, House District 4, and I support HCR131 unequivocally. I worked as a volunteer on the Puna Community Development plan back in 2006 and 2007. We were crying for IT and cell phone accessibility back then and were promised by County officials then that broadband/Wifi was going to be implemented on all county buses and bus stops in 2007. NOTHING YET and it's 2015! Accessibility to affordable internet broadband services and cell phone service is one of the top issues when the public as well as educators and other county and state officials are questioned about the needs of Puna (and the rest of rural Hawaii). There are miles of roads on the Big Island with no emergency landline OR cell phone service available; literally a matter of safety and health for people along miles of coastline and undeveloped interior populated areas. Emergency calls cannot be made in large parts of Puna because of lack of IT or landline phone service. This was abundantly clear over the past 9 months as Puna's population has had to deal with two major wind storms (Iselle and Feb. 14 storms) in addition to an ongoing eruption threatening our population center. I personally had no phone or internet for 3 weeks in August and for more than a week in February. And I'm a senior, living alone, with occasional health problems that make it necessary for me to be able to summon help via phone or internet when needed. Affordable broadband internet is a utility that is needed in rural communities. It would allow for education in a community where there is limited public library service and no higher education; it could proved for telemedicine in a community almost the size of Oahu with no emergency room and urgent-care clinics usually only staffed by nurse practitioners and physicians assistants; and it would foster entreprenuership in ecommerce in a community with no industry and limited jobs (but the largest residential subdivisions in the state, in Puna home to tens of thousands of residents!). President Clinton recognized that capability in signing a broadband tax bill in the 1990s and President Obama followed up on that potential by ensuring a \$4.5 billion fund to connect America. The state PUC should be tasked with recommendations on how to create incentives or obtain funding to create public/private partnerships to connect rural Hawaii with the rest of the 21st Century world. The proposed Time-Warner Cable/ComCast merger seems like the right time to do so. Please pass and enforce HCR131....We need to be able to be part of the 21st Century. Mahalo nui loa for considering my testimony.

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convening of the public hearing.

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 29, 2015 10:15 PM

To: CPCtestimony

Cc: nimo1767@gmail.com

Subject: Submitted testimony for HCR131 on Mar 30, 2015 14:00PM



HCR131

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Petricci	Individual	Support	No

Comments: My name is Robert Petricci, I am a resident of and small business owner in Pohoiki Hawaii. I support the resolution. We have a lot of businesses out here that depend on the internet and we have had problems with band with being squeezed and other unfair practices. Mahalo for your consideration. Robert Petricci

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 29, 2015 2:18 PM

To: CPCtestimony

Cc: thesnovers@mac.com

Subject: *Submitted testimony for HCR131 on Mar 30, 2015 14:00PM*



HCR131

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Ursula Snover	Individual	Support	No

Comments:

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